

your House colleagues to make sure the Treasury Department meets the Congress' expectations. An identical letter has also been sent to Senator Sarbanes.

If there is anything that I can do to be of assistance to you, please do not hesitate to contact me.

Sincerely,

JOHN W. SNOW.

Mr. ROBERTS. Mr. President, I ask that the Chair put the question to the body.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the conference report.

The conference report was agreed to.

MORNING BUSINESS

Mr. ROBERTS. Mr. President, I ask unanimous consent that there now be a period for morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who seeks recognition?

Mr. CHAMBLISS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REED. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY POLICY ACT

Mr. REED. Mr. President, we have just concluded a cloture vote which will give us the opportunity to look more carefully at the Energy bill that is before the Senate. I believe such a careful and thorough review of the bill is entirely warranted. Indeed, it is not just my opinion but the opinion of countless numbers of Americans and also countless numbers of opinion leaders throughout the country.

These are a sample of some of the editorials that have appeared with respect to the Energy bill. The Washington Post calls the bill "depleted energy." The New York Times says "a shortage of energy". The Atlanta Journal-Constitution directs: "Put back-room energy bill out of the country's misery." The Houston Chronicle: "Fix the flaws—this proposed energy bill is half a loaf, half baked."

The American people deserve good national energy policy, created through an open and democratic process. Sadly, the legislation before the Senate is not such a policy nor has it been achieved through an open and transparent and collaborative process. The Energy bill was crafted behind closed doors by members of one political party who chose to involve industry but not elected Senators and Congressmen and women. It looks as if the industry got the bill they wanted.

We have been told "take it or leave it." I hope we can leave this bill be-

hind. I hope this cloture vote signifies such a development.

If we leave it behind, one of the salient aspects of the Energy bill presented to Members is that it does not leave any lobbyist behind. In fact, to borrow a statement from my colleague from Arizona, this bill, indeed, leaves no lobbyist behind.

There is an Archer Daniels Midland ethanol provision adding \$8.5 billion to gas prices over each of the next 5 years while cutting \$2 billion a year from the highway trust fund. It seems to me to be implausible, indeed irrational, that we would enhance an industry while at the same time depriving our local cities and towns and States of the money they need to maintain the roads and bridges of America.

According to the Denver Post, there is \$180 million to pay for development projects in Shreveport, LA, including the city's first ever Hooters restaurant. I am not sure how that will help our energy policy.

Let's not forget the \$2 billion that taxpayers bear to clean up the mess left by MTBE producers.

As the Wall Street Journal wrote:

We'll say this for the energy bill that is about to come to a final vote in Congress: It's certainly comprehensive. It may not have all that much to do with energy anymore, but it does give something to every last elected Representative.

This bill utterly fails to establish an energy policy for the 21st century. It does nothing to address our country's dependence on foreign oil, an issue I will discuss at length in a few minutes.

In addition, it contains so many provisions that will hurt consumers and damage the environment that it is impossible to list them all. Here are just a few:

The bill doubles the use of ethanol in gasoline, which will drive up gasoline prices and deny valuable revenue to fix our roads.

The bill fails to make the reforms necessary to modernize our electricity grid and enhance reliability by providing a standard set of rules for our electricity markets. These rules would have provided greater efficiencies, greater reliability, and reasonably priced electricity that our homes and businesses need.

The bill increases air pollution by delaying rules to control mercury and ozone pollution, putting millions of Americans at risk for health problems.

The bill increases water pollution by exempting oil and gas exploration and production activities from the Clean Water Act storm water program.

The bill allows drilling on our coastlines by diminishing States' rights to review offshore oil development projects and other proposed Federal activities to determine if the projects are consistent with the State coastal management plans.

The bill threatens our national security by failing to reduce the Nation's dependence on foreign oil and providing billions of dollars in subsidies to

build new nuclear powerplants. And the list goes on and on and on.

The American public deserves an economically sound Energy bill that will strengthen our economy and create good-paying jobs for Americans. But that is not this Energy bill before us.

This Energy bill is business as usual. It is a special interest grab bag cloaked in the rhetoric that it would create jobs and spur the economy. The cost of the entire bill is estimated to exceed \$100 billion, more than \$120,000 for each job that the authors claim the bill will create. With the tax breaks alone costing American taxpayers over \$25 billion, this bill adds to the deficit and further reduces spending for vital programs, such as education, health care, and water infrastructure.

The American public also deserve an environmentally friendly Energy bill that will protect our air and water and reduce greenhouse gases. But that is not this Energy bill.

This Energy bill will endanger the public's health by allowing the energy industry to increase the pollution it emits into the air and water and limiting environmental review of energy projects.

One of the most egregious giveaways to corporations, at the expense of the environment and public health, is the product liability protection for MTBE. MTBE is known to cause serious damage to water quality nationwide. This immunity provision—which is retroactive to September 5, 2003, before virtually all the recent lawsuits involving MTBE—would shift \$29 billion in cleanup costs from polluting corporations to taxpayers and water customers.

My State of Rhode Island and our residents are all too familiar with the dangers of MTBE. After MTBE leaked from an underground storage tank at a gas station and found its way into the water system of the Pascoag Utility District in Burrillville, RI, in the summer of 2001, more than 1,200 families were forced to use bottled water for drinking, cooking, and food preparation for several months. Subsequent tests showed MTBE at such high levels that the State department of health recommended residents reduce shower and bath times and ventilate bathrooms with exhaust or window fans. Fortunately, Pascoag's lawsuit against ExxonMobil to pay for the cleanup was filed before the September 5, 2003, cut-off date, but many similar suits filed on behalf of residents in New Hampshire and other States will be thrown out by this bill. That, to me, is a tragedy.

The American people deserve a meaningful Energy bill that will ensure our national security by ending our dependence on foreign oil, diversifying our energy resources, and increasing our Nation's energy efficiency. But that is not this Energy bill.

This Energy bill perpetuates the failed policies of the past 30 years, focusing almost exclusively on squeezing what little domestic energy production

is available and offering generous incentives to the oil and gas industry while giving little attention to developing alternative sources of energy and reducing consumption. We have to face the facts: We cannot drill our way to energy independence.

Furthermore, the bill creates new security threats by reversing a long-standing ban on the reprocessing of spent fuel from commercial nuclear reactors. It promotes, through the Department of Energy's advanced fuel cycle initiative, joint nuclear research efforts with nonweapon states, undermining efforts to curtail new weapons systems. The proliferation of nuclear weapons is one of the most challenging and difficult and serious problems we face, and we are now involving ourselves with states that do not have nuclear weapons, but we are doing so in a way that we could inadvertently and unintentionally give them insights that are advantages. This is poor proliferation policy as well as, I believe, poor energy policy.

Our Nation needs a comprehensive Energy bill, but we must reorder our priorities if we want to achieve greater energy independence. Yesterday's solutions will not meet today's urgent need for energy security. Increased efficiency in our homes, our cars, and our industries, renewable energy resources, and new technologies will secure our energy independence.

We are on a collision course that threatens our economic and national security. Worldwide oil consumption is projected to grow by 60 percent over the next two decades. For developing countries, the growth is expected to be much higher, possibly as much as 115 percent. China and India will be major contributors to these increases in demand and will require imports to meet their needs.

Chinese economic expansion is rapidly changing the oil demand map throughout the world. The International Energy Agency estimates that Chinese demand for oil next year will rise to 5.7 million barrels per day. This would account for about a third of global demand growth. Growing global demand will raise prices for U.S. consumers as countries race for the world's remaining oil supply.

Two-thirds of the world's proven crude oil reserves are in the Middle East. While experts disagree about when global oil production is likely to peak, they agree that when it does, the vast majority of remaining untapped reserves will be left in the Middle East and imports to feed our growing global demand for oil will come from the Persian Gulf.

What is the result of this increasing global demand? Many countries, including our allies and trading partners, will compete with us for finite oil supplies as their and our economies rely more heavily on imports. This will inevitably stress the delicate balance that exists among national interests in the world and give the Middle East a

disproportionate leverage in the international arena.

America's dependence on imported oil is a major constraint on our foreign policy. A substantial portion of our Nation's military budget is spent in the Middle East for the defense of oil. Our policy toward the Middle East will not change as long as our economy remains dependent on oil from the region. The United States has less than 5 percent of the world's population but consumes 26 percent of the world's oil. Oil imports contribute to our trade deficit and heighten our economy's vulnerability to oil price spikes. According to the Rocky Mountain Institute, 53 percent of the U.S. oil supply is imported and one-fourth is from the 11 countries of the OPEC cartel.

Net oil imports cost the United States \$109 billion in the year 2000—29 percent of the then-record trade deficit. Retail oil products cost Americans more than one-quarter trillion dollars per year. As long as the U.S. economy is dependent on oil, we remain vulnerable to major oil disruptions anywhere in the world and to domestic price spikes. According to the Department of Energy, every million barrels of oil per day taken out of production increases world oil prices by \$3 to \$5 per barrel. The Organization of Economic Cooperation and Development estimates that an increase of \$10 per barrel would cut U.S. economic growth by .2 percent and boost consumer prices by .4 percent. A .2 percent drop in growth would cost the economy \$22 billion.

Our economy is extremely vulnerable to variability in oil prices, and we are doing nothing in this legislation to give ourselves a hedge against those variable oil prices.

To achieve energy security, we must wean our economy off its heavy reliance on oil. The immediate priority must be to head off growth in demand. Efficiency is the cheapest energy source. Let me say that again. Efficiency is the cheapest energy source—not drilling in Alaska or the gulf or any place else.

In 2000, America used 40 percent less energy and 49 percent less oil to produce each dollar of GDP than in 1975. Why? Because after the 1973 oil embargo, we were shocked into taking steps to improve our efficiency. We raised gas mileage standards. We provided support incentives for energy improvements and efficiencies throughout our society. This savings we have been able to develop since 1975 has been five times our domestic output of oil in that period.

So we essentially saved five times more oil than we produced in the period. We need to use energy in a way that saves money. It is much cheaper to conserve energy and increase efficiency than build a nuclear powerplant. It is much cheaper and much less deadly to conserve energy and increase efficiency than to send troops to protect oil interests in the Middle East, as we have done since the first

Persian Gulf war. While our soldiers in Iraq are fighting for many reasons, we cannot divorce what is happening in the Middle East from our dependence on oil. This bill may create a few jobs, but will it save lives? Will it prevent future military conflicts undertaken to feed America's addiction to oil? I don't think so. I think a bill like this should do precisely that.

The Energy conference report that we are considering is too heavily weighted towards production with minimal emphasis on increasing energy efficiency. According to the American Council for an Energy-Efficient Economy, the conservation savings in the bill will amount to only about 3 months of U.S. energy consumption between now and the year 2020. That fact bears repeating. Over the next 17 years, this bill conserves only 3 months worth of energy or 1.5 percent of energy use. The bill could have and should have saved at least four times as much energy through conservation.

This bill could have taken meaningful steps to secure our energy future, but the drafters of the bill chose not to. The energy conference could have reduced our dependence on foreign oil by increasing CAFE standards, but they did not. In model year 2002, the average fuel economy for cars and light trucks was 20.4 miles per gallon, a 22-year low. Yet if performance and weight had stayed constant since 1981, the average fuel economy would have improved 33 percent, enough to displace the amount of oil we import from the Persian Gulf 2.5 times over. To displace Persian Gulf imports would only take a 3.35 mile-per-gallon increase in the 2000 light vehicle fleet. We are risking our soldiers in the Persian Gulf, but we are unwilling to raise mileage standards in the United States. If we don't do that, I fear we will be at risk again and again and again—our troops, our economy, and our society.

According to the Rocky Mountain Institute, since 1975, the U.S. has doubled the economic activity wrung from each barrel of oil. Overall energy savings, worth about \$365 billion in 2000 alone, are effectively the Nation's biggest and fastest growing major energy source, equivalent to three times our total oil imports or 12 times our Persian Gulf imports. Let me say that again. We have the greatest resource available to us. It is not oil under the ground or under the sea. It is energy efficiency. Yet this bill refuses to tap that great resource.

During 1977 to 1985, gross domestic product rose 27 percent. Oil use fell 17 percent. Net oil imports fell 42 percent, and imports from the Persian Gulf fell 87 percent. When we were forced by the embargo in 1973 to take steps to improve efficiency, the results were palpable, dramatic, and beneficial. The key to the huge 1977–85 oil savings was better mileage for our automobiles. Unfortunately, light vehicle efficiency

stagnated through the 1990s. And we refused to do the obvious and increase those standards.

Taking steps to reinvigorate the CAFE program is the best way to produce dramatic savings in oil consumption, those savings that we witnessed in the 1970s and 1980s. That is why I am an original cosponsor of S. 794, which would increase fuel economy standards for passenger vehicles to 40 miles per gallon by 2015 and for pickup trucks by 27.4 miles per gallon. This would save 1.8 million barrels of oil a day by 2015, and 3.1 million barrels a day by 2020. This is the Energy bill we need, not the one we are considering.

Indeed, this approach, a technological approach, is most suited to our greatest advantages. We are the Nation of technological innovation. We are the Nation that first ventured into space dramatically and went to the moon. I cannot believe that if we give them the simple mission of raising gas mileage standards, that our automobile industry cannot do so and do so promptly without losing jobs, without losing market share.

While we fail to take action to increase fuel economy standards and provide \$100,000 tax loopholes for SUVs, China, already a growing economic power, recognizes the need to reduce its oil demands from the Middle East. In contrast to this bill, China is preparing fuel efficiency rules that will be significantly more stringent than those in the United States. The Chinese standards call for new cars, vans, and sport utility vehicles to get as much as 2 miles a gallon of fuel more in 2005 than the average required in the United States and about 5 miles more in 2008.

Let me guarantee you, our automobile manufacturers will be trying desperately to sell in that market, and we will be producing cars that go into that market. Yet they will turn to us and say: It is impossible to do that here in the United States.

The Chinese are more sensitive to the global imbalance in supply and demand for petroleum products than we are. They are taking action—and we can't—because they recognize the economic implications and the national security implications.

The Energy bill before us could have reduced our dependence on foreign oil and strengthened national security by including a renewable portfolio standard for America's electricity industry. A strong renewable portfolio standard would diversify our fuel supply, clean our air, and better protect our consumers from electricity price shocks.

According to the Energy Information Agency, gradually requiring utilities to produce 20 percent of electricity from renewable resources such as solar and wind is both affordable and feasible. In addition, it would create jobs by spurring \$80 billion in new capital investment. Again, this is the Energy bill we need, not the one we are considering.

For over 30 years, through four different Presidencies, Americans have

been promised that our Government would end the national security threat caused by our dependence on foreign oil. But energy security means more than drilling in new places for oil and natural gas. It starts with using less energy far more efficiently. It means obtaining energy from sources that are less vulnerable to terrorism or world politics. Unfortunately, it appears that the American people will continue to wait for a meaningful energy policy that promotes national security and reduces our dependency on foreign oil.

We faced an important vote today. I believe we made the right vote. We have given ourselves more time to improve this bill, to develop legislation that will meet our economic, our environmental, and our national security needs, to serve the American people in a way which will make them more secure and more prosperous. I hope we use this intervening time not simply to return to this legislation but to vigorously reform legislation so that we can present the American people a bill that will serve their needs and not the needs of special interests.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered.

HONORING TWO SOUTH DAKOTA SOLDIERS KILLED OVER THE WEEKEND IN IRAQ

Mr. DASCHLE. Mr. President, yesterday was a national day of mourning in Italy. Tens of thousands of people lined a procession route and gathered at a basilica in Rome to pay their final respects to 19 Italian soldiers killed last week in a truck bombing in Nasiriyah, Iraq. The soldiers' deaths mark Italy's worst military loss since World War II.

The American people share Italy's sorrow over their enormous loss.

There is also a profound sense of sorrow today in South Dakota. Two of the 17 American soldiers killed last Saturday, when those 2 Army Black Hawk helicopters collided in the sky over the northern Iraqi city of Mosul, were from our State.

South Dakota lost as many soldiers in that instant as we had lost in the entire Iraq war so far.

Today, we mourn our lost sons: Army CWO Scott Saboe; and Army PFC Sheldon Hawk Eagle.

We also mourn the 15 soldiers lost with them, the 405 other U.S. servicemembers who have given their lives, so far, in this war, and all of the sons and daughters of our allies who have been lost in this war.

CWO Scott Saboe was 33 years old, a career soldier with 14 years of military service.

He leaves behind his wife, Franceska, and their 6-year-old son, Justin, who live in Alabama.

His father, Arlo Saboe, is a decorated Vietnam war veteran who lost his wife and brother in the last 2 years. His sister, Amy remington, is stationed at Walter Reed Army Medical Center near Washington.

Willow Lake, where Scott Saboe grew up, is a small town. Only about 300 people live there. On Sunday, more than half of them stopped by Arlo Saboe's house to pay their condolences.

Before Iraq, Scott Saboe had flown helicopters over the demilitarized zone in Korea. As his father told a reporter for the Sioux Falls Argus Leader, "He was willing to go anywhere."

He reportedly was scheduled to return to the United States in 2 weeks for training.

Today, at Willow Lake High School, where he played center on the football team, the flag has been lowered to half-staff.

Bill Stobbs, a former teacher and football coach who now is the school's principal, told the Argus Leader:

He died doing what he loved, and he was a dedicated soldier. That's all there is to it.

Darin Michalski, a childhood friend, said:

Most of us can go through our who lives and don't really accomplish anything, and some of us only live to be 33, and we're heroes.

PFC Sheldon Hawk Eagle was just 21.

He lived in Eagle Butte, on the Cheyenne River Sioux reservation, and was an enrolled member of the Cheyenne River Sioux tribe—one of about 90 members of the tribe deployed to Iraq.

He was a descendant of the legendary Lakota warrior leader, Crazy Horse. His Lakota name was Wanbleoheteka, Brave Eagle.

Like Scott Saboe, Sheldon Hawk Eagle grew up in a family that viewed military service as a citizen's duty. His grandfather, father and uncle all served.

Friends and family members describe him as a hard-working, quiet young man. One of his former teachers remembers his "nice smile."

His parents died when he was a young boy. He was raised by his aunt and uncle, Harvey and Fern Hawk Eagle.

His only surviving sibling, his sister, Frankie Allyn Hawk Eagle, lives in Grand Forks, ND. He enlisted in Grand Forks, in June 2002, to be close to her.

He was deployed to Iraq in March and reportedly had hoped to be home this coming February.

Emmanuel Red Bear, a spiritual leader who teaches Lakota language and culture at Eagle Butte High School, remembered Hawk Eagle to a reporter as an aggressive, but fair, football player who was a model of sportsmanship on and off the field.

Said Red Bear of Hawk Eagle:

He was a role model, in his quiet way. The younger kids looked up to him. . . . He really was a modern-day warrior.

Tribal Chairman Harold Frazier said simply: